

<p style="text-align: right;">Page 214</p> <p>1 E. SLININ</p> <p>2 remember the corporate name, but I</p> <p>3 remember Vasilev.</p> <p>4 Q. Okay.</p> <p>5 The \$2,000,000 that was</p> <p>6 received by All City Funding, was any</p> <p>7 of that money shared with Mr.</p> <p>8 Shnaider?</p> <p>9 A. No, because Alex Shnaider</p> <p>10 did not put up the money to buy him</p> <p>11 out. I bought him out.</p> <p>12 Q. The 2.3 million dollars that</p> <p>13 you just testified was not received</p> <p>14 pursuant to this agreement --</p> <p>15 A. Correct.</p> <p>16 Q. -- are you claiming any of</p> <p>17 that money as damages here in this</p> <p>18 lawsuit?</p> <p>19 A. Absolutely.</p> <p>20 Q. And what is the basis of you</p> <p>21 claiming that money?</p> <p>22 A. If you read paragraph C, it</p> <p>23 says that it's also owed me money plus</p> <p>24 interest, and everything else, which</p> <p>25 is Mr. Shnaider might have maybe even</p>	<p style="text-align: right;">Page 216</p> <p>1 E. SLININ</p> <p>2 are you willing to state under oath,</p> <p>3 under penalty of perjury that it</p> <p>4 happened?</p> <p>5 MR. LEBOWITZ: Objection to</p> <p>6 the form of the question.</p> <p>7 A. I do not know if he received</p> <p>8 it or not because I am assuming --</p> <p>9 it's my assumption.</p> <p>10 Q. Okay.</p> <p>11 Do you have any evidence of</p> <p>12 that assumption, sir?</p> <p>13 A. I do not have any evidence.</p> <p>14 It's evidence that he owed me the</p> <p>15 money, and he decided not to pay me</p> <p>16 too. That's called dishonesty.</p> <p>17 Q. Sir, that's not the</p> <p>18 question.</p> <p>19 MS. DYER: Move to strike.</p> <p>20 Q. Sir, at some point --</p> <p>21 MS. DYER: I'm sorry, but I</p> <p>22 am going to go to the Court with</p> <p>23 this. I really have been about</p> <p>24 as patient as I have ever been</p> <p>25 with anybody, and so --</p>
<p style="text-align: right;">Page 215</p> <p>1 E. SLININ</p> <p>2 received from Vasilev the money, and</p> <p>3 decided not to proceed with him.</p> <p>4 Q. Do you know for a fact that</p> <p>5 he did?</p> <p>6 A. Everything is possible.</p> <p>7 Q. Do you know for a fact that</p> <p>8 he did?</p> <p>9 A. I'm just -- it's not a fact</p> <p>10 --</p> <p>11 Q. Sir, you are under oath</p> <p>12 right now.</p> <p>13 A. That's my statement --</p> <p>14 Q. Is it your statement that</p> <p>15 Mr. Shnaider received monies from Mr.</p> <p>16 Vasilev?</p> <p>17 A. Possible.</p> <p>18 Q. Okay, but you don't know one</p> <p>19 way or the other; correct?</p> <p>20 A. I am just assuming.</p> <p>21 Q. You just said it was</p> <p>22 "possible."</p> <p>23 A. Possible, assuming.</p> <p>24 Q. Okay.</p> <p>25 You don't know one way --</p>	<p style="text-align: right;">Page 217</p> <p>1 E. SLININ</p> <p>2 MR. LEBOWITZ: Why don't we</p> <p>3 take a quick two-minute break?</p> <p>4 MS. DYER: Larry, Mr.</p> <p>5 Lebowitz, if you could please</p> <p>6 help to speed things up.</p> <p>7 THE VIDEOGRAPHER: The time</p> <p>8 is 4:05 p.m., and we are going</p> <p>9 off the record.</p> <p>10 (Whereupon, a discussion</p> <p>11 was held off the record.)</p> <p>12 THE VIDEOGRAPHER: This</p> <p>13 begins media label 5. The time</p> <p>14 is 4:16 p.m., and we are back on</p> <p>15 the record.</p> <p>16 Q. Did you, Mr. Slinin, meet</p> <p>17 with Jahid Karim about finding a new</p> <p>18 buyer for Contract 169?</p> <p>19 A. I did have a conversation</p> <p>20 with him as well.</p> <p>21 Q. Okay.</p> <p>22 Once Woren defaulted on the</p> <p>23 contract -- let me make sure the</p> <p>24 record is clear. I believe it was</p> <p>25 your testimony that Woren didn't make</p>

<p style="text-align: right;">Page 218</p> <p>1 E. SLININ</p> <p>2 the second payment to All City Funding</p> <p>3 under the letter agreement dated July</p> <p>4 3rd, 2008, for Contract 169; correct?</p> <p>5 A. Correct.</p> <p>6 Q. Once Woren defaulted, do you</p> <p>7 know what happened to Contract 169?</p> <p>8 A. That contract was given to</p> <p>9 Alex to apply towards Contract 161.</p> <p>10 Q. Okay.</p> <p>11 Was there any downpayment</p> <p>12 that Alex received to apply to</p> <p>13 Contract 161?</p> <p>14 A. There was \$2,000,000.</p> <p>15 Q. But that was the \$2,000,000</p> <p>16 that was paid to you; correct?</p> <p>17 A. No, no, no. \$2,000,000 --</p> <p>18 Q. That's what I am trying to</p> <p>19 figure out.</p> <p>20 A. I'm trying to explain.</p> <p>21 The plane was sold to</p> <p>22 Vasilev. He was supposed to wire me</p> <p>23 4.3 million dollars. He only wired me</p> <p>24 2,000,000.</p> <p>25 Q. Correct.</p>	<p style="text-align: right;">Page 220</p> <p>1 E. SLININ</p> <p>2 I said "Fine." He said,</p> <p>3 "This is what is going to happen, we</p> <p>4 are going to apply all of that, plus</p> <p>5 the Lear 60, they are very weak at</p> <p>6 this point." He said to me, "If we</p> <p>7 lose some money, we go 50/50 on the</p> <p>8 loss, on the Lear 60," meaning him</p> <p>9 and me, "and everything else once I</p> <p>10 will liquidate the 161, once I get a</p> <p>11 green one and put it to a completion</p> <p>12 and sell it, we will then calculate,</p> <p>13 and I will give you the money back."</p> <p>14 Q. So, what money, if any, was</p> <p>15 there at that point on 169, on</p> <p>16 Contract 169, to in effect transfer to</p> <p>17 161?</p> <p>18 A. \$2,000,000.</p> <p>19 Q. You kept \$2,000,000;</p> <p>20 correct?</p> <p>21 A. Correct.</p> <p>22 Q. Did you give that money then</p> <p>23 towards the 161 aircraft?</p> <p>24 A. My 2,000,000 was applied to</p> <p>25 161.</p>
<p style="text-align: right;">Page 219</p> <p>1 E. SLININ</p> <p>2 A. He owed me a balance of 2.3.</p> <p>3 Q. Correct.</p> <p>4 A. When he defaulted, and said</p> <p>5 that he is not wiring anymore money,</p> <p>6 that was it, that is what Alex told</p> <p>7 me. At that time Alex said, "Okay,</p> <p>8 well, keep the plane, it's yours. Do</p> <p>9 what you want to do with it, it's</p> <p>10 yours."</p> <p>11 Q. Said to you, "keep the</p> <p>12 plane?"</p> <p>13 A. Correct. "Keep the plane,</p> <p>14 it's yours, do whatever you want to do</p> <p>15 with it." Some couple of weeks go by,</p> <p>16 I tried to market myself, I reached</p> <p>17 out to other brokers, and tried to</p> <p>18 sell it, and was talking, talking, and</p> <p>19 then Alex called me up and he said,</p> <p>20 "Listen, I reached out, I did a global</p> <p>21 settlement with Bombardier. I will</p> <p>22 take this plane and apply towards the</p> <p>23 161 and including your Lear 60."</p> <p>24 Q. Which was 207?</p> <p>25 A. Correct, 207.</p>	<p style="text-align: right;">Page 221</p> <p>1 E. SLININ</p> <p>2 Q. When say your "2,000,000,"</p> <p>3 is that the \$2,000,000 that Woren paid</p> <p>4 you before they defaulted?</p> <p>5 A. Correct.</p> <p>6 Q. Okay.</p> <p>7 And did you -- or did All</p> <p>8 City Funding transfer that money then</p> <p>9 to Mr. Shnaider or to Midland</p> <p>10 Holdings?</p> <p>11 A. They signed over the</p> <p>12 contract, this contract is just as</p> <p>13 liquidable as cash.</p> <p>14 Q. No. I am trying to find out</p> <p>15 what happened to the specific</p> <p>16 \$2,000,000 that All City Funding</p> <p>17 received from Woren, before Woren</p> <p>18 defaulted?</p> <p>19 A. That money was part of the</p> <p>20 settlement I did with Pirumov.</p> <p>21 Q. Not -- okay.</p> <p>22 (Simultaneous speaking)</p> <p>23 A. I -- (inaudible) -- Pirumov</p> <p>24 -- 3.5 million dollars. Of 3.5, I</p> <p>25 received 2,000,000 back from Vasilev.</p>

<p style="text-align: right;">Page 230</p> <p>1 E. SLININ</p> <p>2 Alex Shnaider.</p> <p>3 Q. I am asking if you did?</p> <p>4 A. I reached out to Alex</p> <p>5 Shnaider, and asked him, "What is the</p> <p>6 story with the balance?" He said,</p> <p>7 "Let me see if I can get it." We were</p> <p>8 going back and forth, back and forth,</p> <p>9 and in September, he told me, "You end</p> <p>10 up with the contract, it's all yours."</p> <p>11 Q. Do you know what efforts, if</p> <p>12 any, Mr. Shnaider made to collect from</p> <p>13 Worn?</p> <p>14 A. I don't know.</p> <p>15 Q. If you look at the contract</p> <p>16 between Blue Industrial Skies, Inc.,</p> <p>17 and -- strike that.</p> <p>18 I think you testified</p> <p>19 earlier today that Contract 207 was</p> <p>20 for a Learjet that you were going to</p> <p>21 purchase; correct?</p> <p>22 A. Correct.</p> <p>23 Q. The contract was between</p> <p>24 you, or one of your companies, and</p> <p>25 Learjet; correct?</p>	<p style="text-align: right;">Page 232</p> <p>1 E. SLININ</p> <p>2 Q. Okay.</p> <p>3 I am not asking who took</p> <p>4 over. Who initially entered into the</p> <p>5 contract for the purchase of the</p> <p>6 Learjet that had a corresponding</p> <p>7 contract number of 207?</p> <p>8 A. KSR.</p> <p>9 Q. What is KSR?</p> <p>10 A. A company that was made</p> <p>11 specifically to buy that plane.</p> <p>12 Q. Did you own that company?</p> <p>13 A. Yes, I did.</p> <p>14 Q. And let's just mark Slinin</p> <p>15 Exhibit 13.</p> <p>16 (Whereupon, an aircraft</p> <p>17 purchase agreement was marked as</p> <p>18 Slinin Exhibit 13, for</p> <p>19 identification, as of this date.)</p> <p>20 Q. Is this the contract for the</p> <p>21 purchase of the Learjet that we have</p> <p>22 been referring to as 207 today?</p> <p>23 A. Yes.</p> <p>24 Q. It is between your company</p> <p>25 KSR Jet, Inc., and Learjet, Inc.?</p>
<p style="text-align: right;">Page 231</p> <p>1 E. SLININ</p> <p>2 A. Yes.</p> <p>3 Q. CAC and CL850 were not</p> <p>4 parties to that contract; correct?</p> <p>5 A. They were not -- what?</p> <p>6 Q. Neither CAC or CL850 were</p> <p>7 parties to that contract; correct?</p> <p>8 A. What do you mean? I'm</p> <p>9 trying to understand.</p> <p>10 Q. Were they parties to the</p> <p>11 contract; were they a buyer or a</p> <p>12 seller under your Learjet contract?</p> <p>13 A. I don't have this paperwork,</p> <p>14 and I am not aware of it. The people</p> <p>15 that will know that is Rob Lee and</p> <p>16 Alex Shnaider. I know I signed over,</p> <p>17 to who I signed over, I don't</p> <p>18 remember.</p> <p>19 Q. So, you don't know who was a</p> <p>20 party to the contract for the Learjet?</p> <p>21 A. That took over, basically</p> <p>22 that I signed over to?</p> <p>23 Q. I am just asking about the</p> <p>24 initial contract.</p> <p>25 A. I don't know who took over.</p>	<p style="text-align: right;">Page 233</p> <p>1 E. SLININ</p> <p>2 A. Yes.</p> <p>3 Q. And you signed this;</p> <p>4 correct?</p> <p>5 A. Yes.</p> <p>6 Q. Is KSR a Panamanian company?</p> <p>7 A. Yes.</p> <p>8 Q. You put a deposit of</p> <p>9 1,000,000 down on this contract; is</p> <p>10 that correct?</p> <p>11 A. That is correct.</p> <p>12 Q. And if you look at section</p> <p>13 9.5, it says, "If the buyer fails to</p> <p>14 make any of the payments provided for</p> <p>15 in Article 2, on or before the</p> <p>16 stipulated date, all rights which the</p> <p>17 buyer may have, or may have had in or</p> <p>18 to this agreement, or the aircraft</p> <p>19 shall be extinguished, and seller</p> <p>20 should be entitled to retain an amount</p> <p>21 equivalent to ten percent of the</p> <p>22 purchase price as liquidated damages."</p> <p>23 Do you see that?</p> <p>24 A. Yes, I do.</p> <p>25 Q. The purchase price was</p>